



सीमाशुल्क आयुक्त का कार्यालय (II)

OFFICE OF THE COMMISSIONER OF CUSTOMS (II)

(विमानपत्तन विशेष माल आयुक्तालय) (AIRPORT SPECIAL CARGO COMMISSIONERATE)

5वीं मंजिल, आवास कॉर्पोरेट प्वाइंट, (5th Floor, AVAS CORPORATE POINT,)

मकवाना लेन, अंधेरी-कुर्ला रोड, अंधेरी (पू), मुम्बई - 400 059

MAKWANA LANE, ANDHERI-KURLA ROAD, ANDHERI (E), MUMBAI - 400 059

फ़ा सं: Air SCC/01-04/2017-18 Admn

दिनांक : 28.12.2018

STANDING ORDER NO. 33 /2018-19

Attention of all the Customs Officers and other staff members under the jurisdiction of APSC Commissionerate, Mumbai-III is invited to this Standing Order.

1. Reports have been received of mis-declaration and smuggling of goods imported through Couriers at the Courier Terminal, APSC, Mumbai.
2. It is reported by Intelligence and Enforcement Agencies that the facilities under the Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010 (hereinafter referred to as the CEDPR, 2010), of
 - CBE XI (allowed only for documents as defined)
 - CBE XII (allowed only for bona fide gifts of articles for personal use and bona fide commercial samples as defined)
 - CBE XIII (allowed only for low value dutiable consignments as defined)are being misused for smuggling in Courier Cell, APSC, Mumbai-III.
3. Non-compliance of prescribed KYC guidelines, by Authorised Couriers and their staff, is also a major cause for such incidents of smuggling.
4. As per Regulation 2(1) of the CEDPR, 2010, they apply only for
 - assessment and clearance
 - of imported or exported goods
 - carried by an Authorised Courier
 - by air
 - on behalf of a Consignee or Consignor.
5. As per Regulation 3(1)(b) of the CEDPR, 2010, Authorised Courier in relation to imported or export goods means
 - a person engaged in the international transportation
 - of time sensitive documents or goods
 - on door to door delivery basis

- registered in this behalf by Customs
6. Hence, assessment and clearance of goods at the Courier Cell/Terminal, APSC is allowed only if, the goods or documents are actually transported by air, by a person engaged in the international transportation of goods or documents on door to door delivery basis. Persons engaged in the work merely of customs agents/brokers or clearing agents are neither eligible to be registered as Authorised Courier nor are the CEDPR, 2010 applicable to goods cleared by such customs agents/brokers.
7. Regulation 12 (1)(i) read with Regulation 12 (1)(iv), of the CEDPR, 2010 prescribes that:
- If the Authorised Courier, as defined, carries goods as an agent of the Consignor, he shall obtain an authorisation from such Consignor, after verifying the antecedents, identity and address of such Consignor, in accordance with due diligence, as prescribed, and submit it to Customs at the time of assessment and clearance.
 - If the Authorised Courier, as defined, carries goods as an agent of the Consignee, he shall obtain an authorisation from such Consignee, after verifying the antecedents, identity and address of such Consignee, in accordance with due diligence, as prescribed, and submit it to Customs at the time of assessment and clearance.
 - If the Authorised Courier, as defined, engages as an agent in the import of goods, he shall obtain authorisations from, both, the Consignor and the Consignee, after verifying the antecedents, identity and address of such Consignor and Consignee, in accordance with due diligence, as prescribed, and submit it to Customs at the time of assessment and clearance.
 - If the Authorised Courier, as defined, engages in the import of goods or documents, under CBE XI or CBE XII or CBE XIII, he may obtain the authorisation from the Consignee at the time of delivery of goods, HOWEVER, the authorisation from the Consignor MUST BE PRODUCED TO CUSTOMS AT THE PRE-CLEARANCE STAGE. There is no gainsaying the fact that, even in such cases, the authorisations, both, of the Consignor and Consignee, have to be obtained only after verifying the antecedents, identity and address of such Consignor and Consignee, in accordance with due diligence, as prescribed.

8. Due to non-observance of the prescriptions of the Regulations as stated above, multiple consignments of goods to the same consignees, of dutiable goods imported for trading, in the guise of gifts and samples, has been noticed. In most of such cases, the declared consignees or their address or both are fictitious. In such cases, the goods have been delivered by the couriers, to persons who do not exist as declared and/ or at addresses that do not exist as declared, on the import documents.
9. In addition, numerous cases of smuggling of precious metals have come to light at the Courier Cell in New Delhi and at Mumbai. Such smuggling has been facilitated by non-observance of the above Regulatory prescriptions by the Offices of Authorised Couriers, overseas and in India, and their Staff.
10. The CEDPR, 2010 define an 'Authorised Courier' as stated above. These Regulations have no provision to allow outsourcing of any of the components in the door to door supply chain.
11. Under Regulation 13 (j) of the Courier Imports and Exports (Clearance) Regulations, 1998, which has an identical definition of 'Authorised Courier', the Authorised Courier is obligated not to sub contract/ outsource functions permitted or required to be carried out by him, to any other person, without the written permission of the Commissioner of Customs.
12. In the context of the latter set of Regulations, the CBIC has by Circular No. 59/2016 Cus dated. 02.12.2016, emphasised the need to maintain the integrity of the supply chain and also to protect the interests of revenue. It has directed that, the core activities which are critical to their role as an Authorised Courier cannot be outsourced. If non-core activities, as laid out in the said Circular, are outsourced, it may be done only after prior intimation to Customs and only after due diligence has been exercised and necessary checks carried out before outsourcing.
13. Also, at para 4(i) of Circular No. 33/2010 Cus dated 07.09.2010, the CBIC had emphasised that:
"Authorized Courier is defined as one, who, in relation to import or export of goods, is a person engaged in the international transportation of goods for export and imports on door-to-door delivery basis, and is registered in this behalf by the jurisdictional Commissioner. Also, the basic reason for expeditious clearance facilities being extended to them is that express companies have put in

place verifiable and secure work processes on a global basis backed by an elaborate IT infrastructure for knowledge and information management. These companies have their own in-house mechanisms to guard against use of express supply chain by unscrupulous elements. Therefore, any unauthorized sub-letting or outsourcing of any of the components in the door-to-door supply chain may defeat the very purpose behind facility of expeditious clearance. Hence, the Commissioners of Customs should review the facilities available with the Authorised Couriers appointed under their charge to ensure compliance. Further, while allowing, any sub-letting or outsourcing due care should be taken to ensure that it does not go against the very purpose behind facility of expeditious clearance."

14. It is often brought to notice of the Department that, Authorised Couriers registered under the CEDPR, 2010 are outsourcing activities, without prior permission from Customs or prior intimation to Customs, and/or without exercising due diligence and necessary checks as required or without in-house mechanisms to guard against use of express supply chain by unscrupulous elements, whereby the integrity of the supply chain is compromised and so are the interests of Revenue, which is not warranted. Therefore, all Registered Authorised Couriers may be informed that, their registrations may be cancelled/ not renewed if they are found to be in contravention of the CEDPR, 2010 i.e. if they do not undertake the functions of 'Authorised Courier' as defined and as clarified by the CBIC as stated above.
15. It is noticed that, the facility of CBE XII is being abused, for import of commercial consignments for trading, with the collusion of the staff of couriers.
16. Neither Baggage nor goods for trading can be imported either under CBE XI or CBE XII.
17. No consignment, for which any payment is made by the consignee, or the cost of which in whole or in part is borne by the consignee, can be imported as Gift or Sample or Prototype under CBE XII or as Documents under CBE XI.
18. The CEDPR, 2010, gives the following specific definitions and prohibitions under Regulation 2 & 3:
 - i. **"documents"** includes
 - any message, information or data recorded on paper, cards or photographs AND
 - of no commercial value AND

- which is for the time being not liable to any customs duty or subject to any prohibition or restriction on their export out of or import into India;

ii. **"gifts" means**

- any *bona fide* gifts of articles AND
- for personal use AND
- of a value not exceeding twenty five thousand rupees per consignment in case of export goods and ten thousand rupees per consignment in case of imported goods, AND
- which are not subject to any prohibition or restriction on their export out of or import into India AND
- for which no transfer of foreign exchange is involved;

iii. **"samples" means**

- any *bona fide* commercial samples and prototypes of goods AND
- supplied free of charge AND
- of a value not exceeding fifty thousand rupees per consignment for exports or ten thousand rupees per consignment for imports, AND
- which are for the time being not subject to any prohibition or restriction on their export out of or import into India AND
- for which no transfer of foreign exchange is involved;

iv. **"low value dutiable consignment" means**

- an import consignment (other than documents, gifts and samples) AND
- of an invoice value not exceeding one lakh rupees

19. The terms, Bona fide, Gift, Sample and Prototype, though used in the Regulations, and their parameters limited as per the definitions reproduced above, the terms themselves have not been amplified either in the Regulations or in the Customs Act, 1962. Hence, while determining as to what constitutes Bona fide, Gift, Sample and Prototype, the dictionary meaning will have to be taken into consideration.

The **Shorter Oxford English Dictionary** gives the following meanings:

- Bona fides:** Good faith, Freedom from intent to deceive, sincere, genuine.
- Gift:** A voluntary transference of property without anything in return.

- iii. **Sample:** A relatively small part or quantity intended to show what the whole is like; a specimen.
- iv. **Prototype:** The first or primary type of something; a pattern; a model; an archetype.

20. Regulation 3 (2) of the CEDPR, 2010 prescribes that:

- i. The words used and not defined in those regulations but defined in the Customs Act, 1962 shall have the meanings respectively assigned to them in the Customs Act, 1962.
- ii. Hence, wherever the word '**VALUE**' is used in the CEDPR, 2010, it shall be given the same meaning as defined in Section 2 (41) of the Customs Act, 1962.
- iii. This shall be the value as determined in terms of Section 14 of the Customs Act, 1962.
- iv. Hence all value ranges and limits, as prescribed, anywhere in the CEDPR, 2010 shall be the values as determined under the said Section 14.

21. In addition, the following types of goods, of whatever value, cannot, in any case, be imported by Courier as per Regulation 2(2)(a):

- i. **Animals and parts thereof**, requiring testing of samples thereof or reference to the relevant statutory authorities or to experts, before their clearance.
- ii. **Plants and parts thereof**, requiring testing of samples thereof or reference to the relevant statutory authorities or to experts, before their clearance.
- iii. **Perishables**, requiring testing of samples thereof or reference to the relevant statutory authorities or to experts, before their clearance.
- iv. **Precious and semi-precious stones, gold or silver** in any form (including any form of jewellery of gold or silver or studded with precious or semi-precious stones, as defined in Chapter 71 of the Customs Tariff), requiring testing of samples thereof or reference to the relevant statutory authorities or to experts, before their clearance.

22. It is clear from the above that, **Articles of Food**, as defined in Section 3(j) of the Food Safety and Standards Act, 2006 (including confectionary, dried or fresh fruit or vegetables, spices, honey, chocolates, tinned food, meat or other animal products, milk and milk products etc.) OR **medicines** (including goods described variously as tonics, supplements, nutrients etc.) OR **cosmetics**, which require testing/clearance by FSSAI or the FDA, cannot be imported as gifts or as samples or as regular articles of commercial import, through Courier. They pose an extreme health hazard to the public at large.

23. **In respect of Articles of Food** subject to the FSSA, 2006 & Rules & Regulations issued thereunder, following points may be noted:

- i. The import of Articles of Food are subject to Section 25 of the FSSA, 2006.
- ii. There is no exemption from FSSAI requirements under the Food Safety and Standards (Import) Regulations, 2017 for items of food received as Gifts or Samples.
- iii. The only exemption available is detailed in **Chapter IV** thereof viz. "Food Import Standard for Specific Clearances":
 - a. In this Chapter, under Regulation 7(1) and 7(2), exemption is allowed only to any person bringing in any article of food for his personal use and the person bringing the imported articles of food for personal consumption shall submit the Declaration in the prescribed Form 7.
 - b. Both, this Regulation and the prescribed format of Form 7, clearly show that this facility of exemption is available only to person bringing into India of articles of food, for the personal consumption of the person bringing the goods.
 - c. Similarly, in terms of Regulation 7(4), 7(5) and 7(6), articles of food may be imported only by designated Foreign Diplomatic/Consular personnel, or for research and development purposes or for exhibition purpose, subject to declaration in Form 9 and Form 10, respectively, and subject to the stringent conditions prescribed in the said clauses of Regulation 7.
- iv. Hence, Articles of Food, being perishables, cannot, in any case, be imported either as gifts or as samples by Courier.

24. Special care should be taken to ensure that goods used as **nutritional supplements** or sports nutrition, being perishables, and are prone to abuse, are not imported commercially by courier except as per licence. These goods, as defined under Section 22 of the Food Safety and Standards Act, 2006 (FSSA, 2006) and their import is subject to Section 25 of the FSSA, 2006. Their import is regulated by, both, the Food Safety and Standards (Import) Regulations, 2017 and they are subject to the Food Safety and Standards (Food or Health Supplements, Nutraceuticals, Foods for Special Dietary Uses, Foods for Special Medical purpose, Functional Foods, and Novel Food) Regulations, 2016. The 2016 Regulations have been made effective from 1st January 2018. (www.fssai.gov.in).

25. **Drugs and Cosmetics:**

- i. It may be noted that, in terms of the first proviso to Section 10 of the Drugs & Cosmetics Act, 1940, if Drugs or Cosmetics fall in any of the categories enumerated in Section 10, they are prohibited for import.
- ii. However, import of such Drugs and Cosmetics is allowed for personal use subject to fulfilling the conditions prescribed by Rule 36 and Rule 136 of the Drugs and Cosmetics Rules, 1945.
- iii. It is incumbent on the Assessing and Examining Officers to satisfy themselves that, the drugs or cosmetics under import, are not prohibited in terms of Section 10. This can only be done by reference to the Drug Controller.
- iv. If Cosmetics fall in the categories specified by the said Section 10, they are allowed to be imported only as a part of personal baggage and for personal use. Hence, such cosmetics cannot be imported by Courier even if they are Gifts.
- v. If Drugs fall in the categories specified by Section 10, they are allowed to be imported by an incoming passenger in person for his personal use OR only if an Application for import for personal use, has been made in Form 12A to the Licensing Authority and a Permit in Form 12B has been obtained from the Licensing Authority and is produced. Hence, they cannot be imported as Gifts.
- vi. There is no provision for import of cosmetics as Samples.
- vii. Drugs, if imported as Samples are subject to licensing requirements. Rules 33, 33A, 34 and 34A of the Drugs and Cosmetics Rules, 1945 lay down the

conditions and licensing requirements for Drugs imported as Samples or for specified purpose. However, such imports, under proper licence, are allowed only to designated persons or institutions, for treatment of specified diseases or examination or test or analysis, as the case may be. (see www.CDSCO.gov.in)

26. Customs authorities at Courier Cell are also to ensure that, no **Medical Devices** are imported in contravention of the Medical Devices Rules, 2017 as enforced from 01.01.2018. Import of Medical Devices is regulated strictly by Chapter V of the said Rules.

27. **Exemption from duties of Customs:**

- i. Notf 171/93 Cus dated 16.09.1993 gave exemption, from duties of Customs, to bona fide gifts imported through Courier. It exempted bona fide gifts upto a certain value. This Notf has been rescinded by Notf 27/2017 Cus dated 30.06.2017. Now, there is no Notification specifically exempting bona fide gifts imported by Courier.
- ii. **However, Sr. No. 608A of Notf 50/2017 Cus** as amended, gives exemption, from duties of Customs, to goods:
 - a. Only when classifiable under CTH 9804 of the Customs Tariff AND
 - b. Only when imported by air or by post AND
 - c. Only if they are Bona fide gifts AND
 - d. Only upto CIF value limit of 5000 rupees AND
 - e. Only if exempted from any prohibition in respect of the imports thereof under the Foreign Trade (Development and Regulation) Act, 1992.
- iii. **CTH 9804** is limited by Chapter Notes 4 and 6 to Chapter 98. The following categories of goods **CANNOT** be classified and imported under CTH 9804:
 - a. Goods not for personal use.
 - b. Motor Vehicles, Alcoholic Beverages, Tobacco & Manufactured Products thereof.

- c. Articles imported under an import licence or a Customs Clearance Permit.
- iv. **Personal Import** is defined in para 2.07(a)(iii) of the ITC HS HandBook of Procedures, as prescribed by Circ 14/2018 Cus dated 04.06.2018 by the CBIC as:
 "Persons importing or exporting goods for personal use not connected with trade or manufacture or agriculture".
- v. **Hence, goods which can be imported by Courier under CBE XII as Gifts, and eligible for exemption from duty, must:**
 - a. Only be *Bona fide* Gifts AND
 - b. Only be Personal Imports AND
 - c. Not be subject to any prohibition or restriction on their import into India AND
 - d. Be valued at not more than Rs. 5000 CIF (Cost + Insurance + Freight) AND
 - e. Fulfill all of the above 5 conditions of Sr. No. 608A of Notf 50/2017 Cus AND
 - f. Fulfill all the 5 requirements of Gifts as defined in the CEDPR, 2010 AND
 - g. Must not belong to the 4 categories of goods prohibited for import by Courier under Regulation 2 (2) (a) of the CEDPR, 2010.

28. CIF Value:

- i. It is observed that, Couriers are not declaring the Insurance and Freight charges in the CBE XII while declaring the Assessable Value under Section 14 of the Customs Act, 1962, as required to be declared in Column no. XIV of Sr. No. 19 Item-wise Details of the CBE XII Electronic Form as notified by Notf 67/2017 Cus (N.T.) dated 30.06.2017.
- ii. In course of import by Courier, as there is no segregation of Insurance and Freight or other charges, as import by Courier is a unique eco-system of import, assessment and clearance of goods imported by persons concerned with door to door delivery of time sensitive cargo and necessarily involves multi modal transport.

- iii. Hence, in case of imports by Courier, the amount charged by the Courier has to be necessarily added to the price of the goods for determining the assessable value for the purpose of Section 14 of the Customs Act, 1962 and determining the eligibility to Sr. No. 608A of Notf 50/2017 Cus.
- iv. In case, the Courier charges are not included, it shall be the responsibility of the Assessing Officer and Examining Officer, to reassess the goods after due examination thereof, to determine their eligibility to Sr. No. 608A of Notf 50/2017 Cus.
- v. It shall be the responsibility of the Out of Charge Officer to detain such goods, imported as Gifts and not fulfilling the requirements as specified above, for reassessment. This shall equally apply in case of RMS facilitated Courier Bills of Entry.
- vi. All cases of filing of CBE XII for goods, not eligible to be considered as Bona fide Gifts shall be seized and subjected to the process of adjudication.
- vii. It is observed that, normally, CBE XII filed under the category of Gifts have a weight between 15kg to 20kg, at least. And, much more in many cases. Yet the value is conveniently declared as under Rs. 5000.
For example, it may be observed that, any courier agency which actually performs door to door delivery of goods from Dubai to Mumbai, charges a minimum of 150 UAE Dirhams (approx. Rs 2900 to 3000) per kg of volumetric weight of goods i.e. a parcel of 30cms length x 30cms width x 15cms height and weighing 1 kg would cost Rs. 3000 for transport by Courier from Dubai to Mumbai. As the volume of the parcel increases, so does the Courier charges. Hence, while calculating the exemption limit of Rs. 5000, the total amount of courier charge has to be included.
- viii. Also, when viewed from a different perspective, the cost of a bona fide gift which involves no foreign exchange payment, is borne by the person sending the gift. This cost necessarily includes the entire courier charge borne by the person sending the gift. Hence, while calculating the exemption limit of Rs. 5000, this entire cost must be taken into account.
- ix. In case, the value, as calculated above, exceeds Rs. 5000, the ECCS does not allow filing of CBE XII for Gifts. Hence, CBE XIII or CBE XIV has to be filed and the existing CBE XII, if filed, has to be cancelled. The aggregate duty as

chargeable on such imports under CTH 9804 i.e. BCD + SWC + IGST, has to be charged, on the assessed value including courier charge.

- x. In view of the amendments carried out to heading 9804, by Finance Act 2017, it follows by principle of exclusion that imports by a legal person (firms, companies, other forms of business entities) *or* which are for trade, manufacture or agriculture, cannot be regarded as personal imports and shall not fall within CTH 9804. Such imports by Courier shall be classified as per Customs Tariff and shall require an IEC, except as provided under para 2.07 of the HBoP 2015-20. (para 12 of Circ 14/2018 Cus dated 04.06.2018 issued by CBIC).

29. Samples:

- i. Only *bona fide* commercial samples as defined, other than those prohibited by Regulation 2(2)(a) of the CEDPR, 2010 as specified in para 21 above, may be imported by Courier under CBE XII.
- ii. Such samples are exempt from duty under Notf 154/94 Cus dated 13.07.1994 as amended, only if they fulfil the conditions enumerated, against the serial number, under which exemption is claimed.

30. If Sr. No. 3 of Notf 154/94 Cus is claimed:

- i. The consignment should be of a bona fide commercial sample of goods AND
- ii. It should be supplied Free of Charge AND
- iii. No transfer of foreign exchange should be involved AND
- iv. The goods should not be subject to any prohibition or restriction on their import into India AND
- v. The value of the consignment must not exceed Rs. 10,000. Such value must include the courier charges paid by the supplier as it is a cost to the supplier, AND
- vi. The samples must be meant only for being shown in India for the guidance of exporters or for securing or executing an export order AND

- vii. They must be imported only by an IEC holder AND
- viii. The goods must be clearly marked as Samples AND
- ix. The importer has to give the declaration as prescribed in the Notification, in the CBE, AND
- x. The importer has to give the requisite undertaking to the AC/DC as prescribed in the Notification AND
- xi. The total value of all samples shall not exceed Rupees one lakh and 50 Units, both conditions to be satisfied, over the last twelve months from the date of import under assessment (including the import under assessment).
- xii. Separate value limits have been prescribed for samples imported, by gem and jewellery exporters, but, subject to a maximum of 50 Units. Such importers must, at the time of each import, produce the prescribed certificate issued by GJEPC certifying value of exports made by them in the immediately preceding 3 years, in addition to fulfilling all the conditions enumerated above.

31. If Sr. No. 5 of Notf 154/94 Cus is claimed for samples and prototypes imported by Courier:

- i. The consignment should be of bona fide commercial samples or prototypes of goods AND
- ii. It should be supplied Free of Charge AND
- iii. No transfer of foreign exchange should be involved AND
- iv. The goods should not be subject to any prohibition or restriction on their import into India AND
- v. The value of the consignment must not exceed Rs. 10,000. Such value must include the courier charges paid by the supplier as it is a cost to the supplier (it may be noted that no exclusion is provided for Courier Charges in the Explanation appended to the said Serial number of the Notification).
- vi. In case, the Courier charges are not included, it shall be the responsibility of the Assessing Officer and Examining Officer, to reassess the goods after due

examination thereof to determine their eligibility to facility under CBE XII and/or Notf 154/94 Cus.

- vii. It must be noted that, Samples, as defined, are 'Bona fide Commercial Samples and Prototypes of Goods' only. Hence, the facility of CBE XII is allowed only to Commercial Samples of Goods.
- viii. The term 'Goods' as per its popular connotation means 'merchandise'. Hence, the term 'Commercial Samples of Goods' can mean only samples of articles for trade. Any article, for e.g. blood samples or samples of human and animal viscera or fluids, brought for the purpose of laboratory testing, are not commercial samples of any goods. Hence, such articles are neither eligible for clearance under CBE XII nor are they eligible for any exemption under Notf 154/94 Cus.
- ix. It shall be the responsibility of the Out of Charge Officer to detain such goods, imported as Samples and not fulfilling the requirements as specified above, for reassessment. This shall apply equally to RMS facilitated Courier Bills of Entry.
- x. In case, the value, as calculated above for Samples, exceeds Rs. 10,000, the ECCS does not allow filing of CBE XII for Samples. Hence, CBE XIII or CBE XIV has to be filed and the existing CBE XII, if filed, has to be cancelled. The aggregate duty chargeable on such imports shall be the merit rate applicable to the CTH under which such goods are classifiable, on the assessed value including courier charge without the benefit of Notf 154/94 Cus.
- xi. All cases of filing of CBE XII for goods, not eligible to be considered as Bona fide Commercial Samples or Prototypes, shall be seized and subjected to the process of adjudication.
- xii. It must be noted that, non-commercial or non bona fide samples or prototypes cannot be imported under CBE XII nor are they eligible for any exemption under Notf 154/94 Cus.

32. **Documents: CBE XI** can be filed only for Printed paper, cards or photographs

- Which are of no commercial value AND

- Which are for the time being not liable to any customs duty AND
 - Which are not subject to any prohibition or restriction on their import into India.
- i. Hence, it is evident that, goods brought under CBE XI can have no other material other than the medium on which the information or data or message is printed.
 - ii. All CBE XI consignments are invariably subject to 100% X Ray Examination. If any material other than, the print medium is found on such X Ray Examination, such consignment should be opened and examined. The Courier and Consignee should be kept under close scrutiny for all further imports and exports. Strict action must be taken against all importers/consignees and couriers who are found to have imported any goods other than printed documents, under the facility of CBE XI.
33. It is observed that, there is total lack of supervision at all levels among the Staff at the Courier Terminal, APSC, Mumbai. This is exhibited by the fact that, there is no supervision of assessment or examination of export or import consignments by any Assistant Commissioner or Deputy Commissioner at Courier Terminal.
- i. Hence, it is hereby directed that, in addition to carrying out the required checks on CBE XI, XII and XIII filed, for the purpose of determining eligibility to the facilities under CBE XI, XII and XIII, each Batch AC/DC shall personally supervise examination of at least 60 (sixty) import consignments per shift and records thereof must be maintained, in a separate register, batch-wise, showing the following details, for each consignment examined:
 - a. Serial no. and Name of Courier
 - b. CBE Number
 - c. Name of Consignee and Type of CBE
 - d. Whether KYC verified by Courier as per norms
 - e. HAWB Number
 - f. Declared Description

- g. Declared Classification of Goods and Exemption Notification claimed
- h. Declared Value of Goods
- i. Description, Classification, Valuation and Notification eligibility found on visual examination
- j. Whether goods required to be sampled and tested
- k. Report of X Ray Examination
- l. Action taken in case of any discrepancy found
- m. Signatures of Examining Officer, Supervising AC/DC, Authorised Person of Courier along with Name Stamp, Date and Time.
- ii. All DCs/ACs posted in Courier Batches namely A, B, C and D are required to attend to the following work:
 - a. Assessment of CBE-XIV after proper scrutiny
 - b. Approval of CBE filed on or after 30 days after proper scrutiny and examination.
 - c. Approval of amendment of CBEs after proper scrutiny and examination.
 - d. Approval for cancellation of CBEs after proper scrutiny and examination.
 - e. Approval of cancellation ECM after proper scrutiny and examination.
 - f. Approval for amendment of ECM after proper scrutiny and examination.
 - g. Recalling of CBEs after proper scrutiny and examination.
 - h. Amendment of CBE/Shipping Bills under Section 149 of the Customs Act, 1962 in accordance with law.
- iii. The audit of Courier companies is to be conducted periodically. Therefore each AC/DC posted at the Courier Cell shall conduct the said Audit of at least 3 (three) Couriers each month w.e.f 10.01.2019. The Addl. Commissioner/ Joint

Commissioner in charge of Courier Cell, APSC, shall draw up an audit plan for this purpose, latest by 07.01.2019. Authorised Couriers registered with APSC shall be allotted to each AC/DC at the Courier Cell. The Audit shall be conducted by the AC/DC with the help of Officers posted in their respective Batches. They shall submit the Audit Reports, Courier wise, by the last working day of the month following the month in which the Audit was completed.

- iv. The Local Risk Management Committee (LRMC) at the Courier Cell, APSC has been constituted under the Chairmanship of the Joint Commissioner, APSC. All Staff at Courier Cell are directed to bring all such risks, as they consider necessary for being intervened by the RMS, to the notice of the LRMC.

34. The above instructions should be followed scrupulously and any difficulties experienced may be brought to the notice of the Additional Commissioner/Joint Commissioner in charge of Courier Cell, in writing.

H. A. Shah
28/12/18

(Hitesh Shah)

Commissioner of Customs
APSC, Mumbai-III.

Copy to:

1. The Office of Chief Commissioner of Customs, Mumbai-III.
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